

COMPAQ COMPUTER CORPORATION

CUSTOMER SERVICES MASTER AGREEMENT

between

**State of Texas, acting by and through the
Department of Information Resources
(hereinafter referred to as "DIR")**

and

**COMPAQ COMPUTER CORPORATION
(hereinafter referred to as "COMPAQ")**

U.S. CUSTOMER SERVICES MASTER AGREEMENT

Compaq Computer Corporation ("COMPAQ") with its principal place of business at Houston, TX, and the State of Texas, acting by and through the Department of Information Resources ("DIR"), with its principal place of business at 300 W. 15th Street, Suite 1300, P. O. Box 13564, Austin, Texas, on behalf of state agencies as defined in Section 2054.003, Government Code (including institutions of higher education as defined in Texas Education Code, Section 61.003) and local governments as defined in Section 791.003, Government Code, agree that the terms and conditions contained in this U.S. Customer Services Master Agreement ("CSMA"), including any Addenda, and Attachments which are or may become a part of this CSMA, shall govern the discounting and sale of Services under this CSMA.

This CSMA establishes the terms and conditions under which Services may be sold to Eligible Purchasers, but does not obligate Compaq to sell or Eligible Purchasers to buy Services.

Addenda, and Attachments Contained in this CSMA

_____ Addendum A U.S. Multivendor Customer Services Standard Terms
_____ Addendum 3 Service Descriptions
_____ Addendum C U.S. Customer Services Price List Service Discount Eligibility
_____ Addendum D Addendum A to COMPAQ Service Agreement No. 93050100D
_____ Addendum E Mock Service Agreement No. 93050100D

In the event of a conflict between the provisions of this CSMA, its Addenda and Attachments, the CSMA shall control. COMPAQ and DIR acknowledge that each has read this CSMA, understands it, and agrees to be bound by its terms and conditions. The parties further agree that this CSMA constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior proposals, negotiations, and communications, oral or written between the parties or their representatives. Orders placed referencing this CSMA are subject exclusively to its terms. No deviation from this CSMA shall be binding unless in writing and signed by the party against whom the deviation is sought to be enforced.

Effective Date: September 1, 1999

CSMA Number SOT LK99110

**State of Texas, acting by and
Through the Department of
Information Resources**

by:

Carmen Hernandez
Authorized signature

Name: Carmen Hernandez

Typed or printed name

Title: Director, Business Operations

Date: 9/24/99

Compaq Computer Corporation

by:

Michael S. Duggan
Authorized signature

Name: MICHAEL S. DUGGAN

Typed or printed name

Title: BUSINESS MANAGER

Date: 24/SEP/1999

GENERAL TERMS AND CONDITIONS

1 Term

This CSMA is effective from September 1, 1999 through August 31, 2004. Any expiration or termination will not alter the rights, duties and obligations of the parties, or the discounts granted, relating to any orders accepted by Compaq under this CSMA prior to the date of expiration or termination. DIR may terminate this CSMA on thirty (30) days written notice in the event of inadequate legislative or other appropriations from which to make payments hereunder.

2 Participation

All State of Texas agencies as defined in Section 2054.003, Government Code including institutions of higher education as defined in Texas Education Code, Section 61.003 and local governments as defined in Section 791.003, Government Code are eligible under this CSMA. This CSMA may not be modified by Eligible Purchasers and may only be modified as mutually agreed by DIR and COMPAQ.

Each Eligible Purchaser will have an individual Service Agreement with COMPAQ and will be under the DIR contract for discount/allowances and administration purposes only.

Eligible Purchasers by acceptance of their individual Service Agreements acknowledge that Services purchased under this CSMA are intended for their own use.

Software Services are eligible under this CSMA only when accompanied with Hardware Services for the equipment that the Software Services are servicing. An exception is allowed for Personal Computer (PC) Desktop/Workstation Software Services where Hardware Services for these PCs are not required. No Software Services only Service Agreements will be allowed. Software Services are eligible for discounts as defined in sections 6.1 through 6.4 of this CSMA.

DIR will collect monies and pay COMPAQ in accordance with section 7.2 of this CSMA.

COMPAQ's acceptance of this CSMA with DIR is based upon the inclusion of adequately funded State Contract Eligible Purchasers. The exclusion of Eligible Purchasers from this CSMA may be cause for COMPAQ to cancel this CSMA either immediately or at the end of the current State fiscal year, or renegotiate the pricing incentives (discounts and allowances) contained in this CSMA.

3 Definitions

3.1 "Effective Date" is September 1, 1999.

3.2 "Price List" is the U.S. Systems/Services Price List for COMPAQ Products and Services in effect when an order is accepted by COMPAQ.

3.3 "Services" refers to COMPAQ standard hardware product services, and software product services as listed in Addendum B-Service Descriptions. Services available for discounts under this CSMA are detailed in Addendum C. Services offered in this CSMA do not include Learning/Training Services, Per Call Services, or custom services.

3.4 "U.S. Multivendor Customer Services Standard Terms" are contained in Addendum A. It includes the Services Descriptions included as an Attachment to Addendum A and other supplements referencing the U.S. Multivendor Customer Services Standard Terms.

Additional definitions are as provided in the U.S. Multivendor Customer Services Standard Terms.

4 Geographic Availability

The Services that are a part of this CSMA are available in the State of Texas, unless otherwise noted in the Service Descriptions.

5 Prices

The prices and the applicable discounts, if any, for each service will be specified in the U.S. Price List, or on a Service Agreement between Compaq and the Eligible Purchaser that is current at the time of order acceptance. Once a price has been accepted on a Service Agreement, the price is fixed through the remaining term of this CSMA for such service for that particular Eligible Purchaser.

During the term of this CSMA, increases, if any, in the prices for Services for (a) the second and third one (1) year periods of each Service Agreement will not exceed 0 percent (0%) of the prices of the preceding year and (b) the fourth and fifth one (1) year periods of each Service Agreement will not exceed 5 percent (5%) of the prices of the preceding year. These limitations will be applied to the total price of each Service Agreement and not to the prices of specific line items of the Service Agreement.

6 Discounts and Allowances

The discounts set forth below in 6.1 through 6.4 for Services as defined in section 3.3 in accordance with Service Discount Eligibility defined in Attachment C are granted to DIR under this CSMA.

The allowances set forth in 6.5 for Services as defined in section 3.3 are granted to DIR under this CSMA.

Discounts and allowances will be applied against gross list price with the exception of the Annual Invoicing Discount which is applied after all other discounts/allowances have been applied.

6.1 Volume Discount

COMPAQ grants to DIR the Volume Discount as set forth below accepted by COMPAQ during the term of this CSMA. For the first three (3) years, the **discount Level 4** will be applied. For years four (4) and five (5), the discount will be determined in accordance with section 6.1.2.

6.1.1 "Aggregate Customer Services Dollar Value" for purposes of the Volume Discount is the total value in U.S. dollars at list price purchased by and delivered to Eligible Purchasers on orders subject to this CSMA.

6.1.2 The discount level for year four (4) and year five (5) during the term of the CSMA shall be based upon the Aggregate Customer Services Dollar Value of services invoiced to DIR during the one (1) year Term beginning twelve (12) months prior to the current one year discount Term.

6.1.3 VOLUME DISCOUNT SCHEDULE

Aggregate One Year Customer Services Dollar Value		
Discount Level	(In Thousands)	Discount Percentage
1	0 but less than 2,000	0
2	2,000 but less than 4,000	1
3	4,000 but less than 6,000	2
4	6,000 but less than 8,000	3
5	8,000 but less than 10,000	4
6	10,000 and over	5

6.2 Site Dollar Volume Discount

COMPAQ grants to DIR the Site Dollar Volume Discount as set forth below accepted by COMPAQ during the term of this CSMA. For the first three (3) years, the discount **Level 8** will be applied. For years four (4) and five (5), the discount will be determined in accordance with section 6.2.2.

6.2.1 "Aggregate Customer Services Dollar Value" for purposes of the Site Dollar Volume Discount is the total value in U.S. dollars at list price purchased by and delivered to Eligible Purchasers on orders subject to this CSMA.

6.2.2 The discount level for year four (4) and year five (5) during the term of the CSMA shall be based upon the Aggregate Customer Services Dollar Value of services invoiced to DIR during the one (1) year Term beginning twelve (12) months prior to the current one year discount Term.

6.2.3 To be eligible for discounts hereunder, each Eligible Purchaser must utilize remote diagnosis offered by Compaq, if available, upon request by Compaq.

6.2.4 SITE DOLLAR VOLUME DISCOUNTS SCHEDULE

Aggregate One Year Customer Services Dollar Value		
Discount Level	(In Thousands)	Discount Percentage
1	0 but less than 120	0
2	120 but less than 180	2
3	180, but less than 240	3
4	240 but less than 300	4
5	300 but less than 360	5
6	360 but less than 480	6
7	480 but less than 660	7
8	660 and above	8

6.3 Annual Invoicing Discount

COMPAQ grants to DIR a five percent (5%) Annual Invoicing Discount to be applied to the net monthly charge of eligible line items as defined in section 3.3 at the time of invoicing provided such maintenance charges are prepaid. The Annual Invoicing Discount will be applied after all other discounts have been applied.

Add-ons to existing Service Agreements will receive the full 5% Annual Invoicing Discount when added to the Service Agreement while at least 12 months remain in the billing authorization period. Items added to Service Agreements with less than 12 months remaining in the billing authorization period will receive a prorated Annual Invoicing Discount according to the Annual Invoicing Discount Proration Table which is set forth below.

New Service Agreements will receive the full 5% Annual Invoicing Discount when added to the agreement with 12 months in the billing authorization period. New Service Agreements with less than 12 months remaining in the billing authorization period will receive a prorated Annual Invoicing Discount according to the Annual Invoicing Discount Proration Table which is set forth below.

ANNUAL INVOICING DISCOUNT RATE TABLE

The Annual Invoicing Discount is prorated as follows:

Number of Months Remaining	Discount Percentage
12 months =	5.00%
11 months =	4.58%
10 months =	4.17%
9 months =	3.75%
8 months =	3.33%
7 months =	2.92%
6 months =	2.50%
5 months =	2.08%
4 months =	1.67%
3 months =	1.25%

NOTE: The number of months remaining always reflects the nearest number of whole months remaining in the Service Agreement period.

The Annual Invoicing Discount percentage of an add-on or deletion is always the percentage at which the item was added to the contract. For example, if an item was added with 6 months billing authorization remaining, that add-on would receive 2.50% of the total discount.

6.4 Multi-year Discount

COMPAQ grants to DIR the applicable Multi-year Discount set forth below on eligible Services as defined in section 3.3 accepted by COMPAQ during the Term of this CSMA.

6.4.1 The availability of the Multi-year Discount is subject to the terms and conditions in Paragraph 13.2 of this CSMA.

6.4.2 MULTI-YEAR DISCOUNT SCHEDULE

Length of Agreement	Discount Percentage
2 years	3%
3 years	5%
4 years	6%
5 years	8%

6.5 Business Allowance for Digital Equipment Corporation Manufactured Equipment.

COMPAQ grants DIR for hardware-only maintenance services on DIGITAL products a forty-three (43) percent allowance from list pricing. The forty-three percent allowance is not applicable to:

6.5.1 VAX 9000 systems (all models)

6.5.2 All systems based on DIGITAL/COMPAQ's new ALPHA technology

6.5.3 All hardware products current or future that COMPAQ classifies as non-competitive due to U.S. Government (GSA) compliance regulations and/or Anti-Trust compliance regulations.

6.5.4 All hardware classified as new technology. New technology is defined as any product with a First Revenue Ship date of less than two (2) years from the effective date of this CSMA.

6.5.5 COMPAQ grants DIR a thirteen percent (13%) allowance on items listed in 6.5.1 through 6.5.4.

7 Orders

7.1 Eligible Purchasers are required to submit to DIR the following documentation to be eligible for participation in this CSMA:

- (a) If required by Eligible Purchaser, Interagency/Interlocal Agreement executed by Eligible Purchaser
- (b) Service Agreement executed by Eligible Purchaser that will reference this CSMA by number and expressly state that the order is subject to the terms of this CSMA.
- (c) Purchase Order payable to DIR for services from the Start Date of the Service Agreement as specified on the Service Agreement to August 31 of that fiscal year.

7.2 It is the sole responsibility of the Eligible Purchaser to submit information listed in 7.1.

7.3 Upon receipt of documentation listed in 7.1, DIR will authorize the order with COMPAQ. Authorization of Orders will be by faxing an initialed Page One of the current Service Agreement to COMPAQ. DIR is responsible for providing timely authorization of Orders to COMPAQ.

8 Invoicing and Payments

8.1 At the beginning of each fiscal year, DIR will issue to COMPAQ a blanket Purchase Order referencing this CSMA. This blanket Purchase Order will be based on the projection of total dollar amount of Order for this CSMA for that fiscal year. COMPAQ is responsible for providing this information before the blanket Purchase Order can be prepared.

8.2 Payments under this CSMA must be made thirty (30) days upon receipt of correct invoices for Orders that have been authorized according to Section 7.3.

8.3 COMPAQ will not invoice DIR for Orders that have not been authorized. Any invoice received before an Order has been authorized will not be processed by DIR and payment shall not be due until DIR has authorized the Order and COMPAQ has invoiced DIR in accordance with 8.2.

9 Taxes

Under the State of Texas Tax Exemption Certification, attached hereto, charges will be exempt of taxes under this CSMA.

10 Services Terms and Conditions

Except as modified herein COMPAQ's U.S. Customer Services Standard Terms, attached as Addendum A, will apply to all orders whether or not discountable.

11 Service Agreement Responsibilities

Eligible Purchaser will:

11.1 Once a Service Agreement, new or revised, is quoted to an Eligible Purchaser, the Eligible Purchaser will be responsible for ensuring adequate purchase authorization or requesting in writing a refund and submission of documentation as listed in 7.1 to DIR within sixty (60) days from date of quotation by Compaq. For annual renewals, purchase authorization must be to DIR by September 1 or sixty (60) days from the initial annual quotation whichever occurs latest.

DIR will:

11.2 Be responsible for managing the process with Eligible Purchasers from the receipt of documentation from the Eligible Purchasers as listed in section 7.1 to Order authorization from DIR to Compaq.

Compaq will:

11.3 Be responsible for timely responses to information requests from Eligible Purchasers for Service Agreements and modifications to Service Agreements, and to information requests from DIR for Service Agreement Invoice Previews. Failure to provide Service Agreement Invoice Previews to DIR will result in Order authorization delays.

11.4 Be responsible for providing Addendum A to the Service Agreement, attached hereto as Addendum D, with each Service Agreement issued under this CSMA.

11.5 Be responsible for including in each Service Agreement issued under this CSMA the following language: "By executing this Service Agreement, Eligible Purchaser (Customer) agrees to the terms contained in Addendum A of this Service Agreement."

Compaq's quotations will be null and void, if Eligible Purchaser's purchase authorization or request in writing for refund is not submitted to and received by DIR within the sixty (60) day quotation period as defined above in section 11.1. Service under the Service Agreement will be suspended and refunds will not be issued once a quotation is voided. When a quotation is voided, a notice will be sent to the Eligible Purchaser with a carbon copy to DIR.

Any service suspended will be subject to Compaq's requirements for Eligibility as defined in each service's Service Description to be restored.

12 Exclusions

The following services are not included under this CSMA:

12.1 Service outside of the contracted hours of coverage.

12.2 Services which in COMPAQ's opinion are required due to improper treatment or use of the equipment or software.

12.3 Services required due to unauthorized attempts by other than COMPAQ personnel to repair, maintain, or modify the equipment or software.

12.4 Services required due to causes external to the COMPAQ-maintained equipment or software.

12.5 Reconfiguration of equipment.

12.6 Individual hardware products that cannot, in COMPAQ's opinion, be properly repaired or maintained due to excessive wear or deterioration. These products may be withdrawn from service upon ninety (90) days prior written notice, which notice shall not be issued prior to the end of the first year of service.

12.7 Individual software products which have been discontinued or reclassified as "Customer Supported". These products may be withdrawn from service upon one hundred eighty (180) days prior written notice. Service will not be withdrawn during the initial (not extended) Warranty period or the first year of a service contract.

13 Termination

13.1 Termination for Cause

Notwithstanding the Paragraph entitled "Term", either COMPAQ or DIR will have the right to terminate this CSMA and any orders hereunder if (i) the other party assigns this CSMA or any of its rights hereunder, except as provided in this CSMA (the word "assign" to include, without limiting the generality thereof, a transfer of a majority interest), (ii) the other party makes an assignment for the benefit of creditors, or (iii) a receiver or similar officer is appointed for the other party or for a substantial part of the other party's property. COMPAQ may terminate this CSMA in whole or in part with respect to a particular Eligible Purchaser that neglects or fails to perform or observe any material existing or future obligations to COMPAQ, under this CSMA, if such condition(s) is not remedied within thirty (30) days after written notice thereof has been given to Eligible Purchaser. Compaq may also terminate the CSMA with respect to DIR, if DIR is in material breach of the CSMA and such breach is not remedied within thirty (30) days following receipt of written notice from Compaq. Should Compaq terminate the CSMA with DIR, Compaq will not terminate any individual Eligible Purchaser's Service Agreement under the CSMA as long as the Eligible Purchaser is not in breach of this CSMA. DIR may terminate this CSMA with thirty (30) days written notice in the event of inadequate legislative or other appropriations from which to make payments hereunder. DIR may also terminate this CSMA if Compaq is in material breach of the CSMA and the breach is not remedied within thirty (30) days following receipt of written notice from DIR. Termination shall not affect any Eligible Purchaser's Service Agreement under this CSMA as long as the Eligible Purchaser is not in breach of this CSMA.

13.2 Termination/Liquidated Damages

Should an Eligible Purchaser before the end of the term of this CSMA, (1) terminate their Service Agreement, or (2) delete any equipment from that Service Agreement for reasons other than sale, discontinued use, upgrade to newer COMPAQ technology, or transfer of equipment to another location where it will be maintained by COMPAQ, DIR agrees to invoice the Eligible Purchaser an amount equal to the difference between the Multi-year Discount actually granted to Eligible Purchaser for such deleted products, and the actual Multi-year discount applicable for the number of years of the term Eligible Purchaser actually completed upon written notification to COMPAQ. If the Eligible Purchaser pays DIR the amount invoiced, DIR will pay the amount recovered from the Eligible Purchaser to COMPAQ. If the Eligible Purchaser does not pay the invoiced amount to DIR, DIR is not required to pay such amount to COMPAQ. DIR will provide reasonable assistance to COMPAQ if COMPAQ wants to invoice the Eligible Purchaser for the difference between the Multi-year discount granted by COMPAQ to Eligible Purchaser for such deleted products and the actual Multi-year discount applicable for the number of years of the term actually completed.

14 Warranties and Certifications

14.1 Year 2000 Warranty

Unless expressly warranted in the applicable Service Agreement or Service Description, COMPAQ makes no warranties express or implied that any hardware or software to be maintained or supported by COMPAQ under any Service Agreement, which was not expressly warranted by COMPAQ at the time of sale as being Year 2000 Ready, will be free of any Year 2000 related diminishment in performance or functionality. If COMPAQ creates a Year 2000 related Field Change Order (FCO) for hardware or a Year 2000 related update or new version of software, COMPAQ will provide such Year 2000 FCOs, updates or new versions to the extent the applicable Service Agreement or Service Description includes as a feature the provision of applicable FCOs, updates or new versions.

COMPAQ makes no representations or warranties regarding products upon which maintenance services are being provided. COMPAQ does warrant that the maintenance services will not impact the Year 2000 compliance of the products being serviced. If a product is Year 2000 compliant prior to the maintenance, it shall continue to be Year 2000 compliant at the completion of maintenance services. If the product is not Year 2000 compliant prior to maintenance services, COMPAQ, in performing the maintenance services required by this contract, is not required to make the product compliant.

COMPAQ's sole liability shall be to restore the product to its Year 2000 compliant status that existed prior to COMPAQ performing the maintenance services.

14.2 Technology Access Clause

COMPAQ expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, COMPAQ represents and warrants that the technology provided to the eligible purchaser is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology, of: (1) providing equivalent access for effective use by both visual and non-visual means; (2) presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and (3) being

integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired. For purposes of this Article, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical display, and customizable display appearance.

COMPAQ does warrant that the maintenance services will not impact the accessibility by persons with visual impairments, as defined above, of the products being serviced. If a product is accessible by persons with visual impairments prior to the maintenance, it shall continue to be at the completion of maintenance services. If the product is not accessible by persons with visual impairments prior to maintenance services, COMPAQ, in performing the maintenance services required by this contract, is not required to make the product compliant.

COMPAQ's sole liability shall be to restore the product to its accessibility by persons with visual impairments status that existed prior to COMPAQ performing the maintenance services.

14.3 Vendor Assignments

Vendor hereby assigns to purchaser any and all claims for overcharges associated with this contract which arise under the antitrust laws of the United States 15 U.S.C.A. Section 1, et seq. (1973), and which arise under the antitrust laws of the State of Texas, Tex. Bus. & Comm. Code Ann. Sec. 15.01, et seq. (1967).

14.4 Vendor Affirmation

Submitting an offer to DIR with a false statement or submitting a catalogue to the General Services Commission that contains a false statement is a material breach of contract and shall render any resulting contract voidable at the sole option of the State. By accepting this order, the Vendor hereby certifies that:

- a. The Vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
- b. If this is a Catalogue Purchase, the Vendor is currently certified as a Qualified Information Systems Vendor by the General Services Commission and that the commodities being purchased are contained in the vendor's catalogue on file with the General Services Commission.
- c. The Vendor is not currently delinquent in the payment of any franchise tax owed the State of Texas or in the payment of any child support obligations under applicable state law.
- d. Neither the Vendor nor the firm, corporation, partnership, or institution represented by the Vendor, or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State, codified in Section 15.01, et seq., Texas Business and Commerce Code, or the Federal Antitrust Laws, nor communicated directly or indirectly the offer made to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage.

- e. The Vendor has not received compensation from DIR or Eligible Purchasers for participation in the preparation of the specifications for this order.

14.5 Contract Disputes

The dispute resolution process provided for in Chapter 2260, Government Code must be used to resolve any dispute arising under this CSMA.

Addendum A: U.S. MULTIVENDOR CUSTOMER SERVICES STANDARD TERMS

COMPAQ CORPORATION

U.S. MULTIVENDOR CUSTOMER SERVICES STANDARD TERMS

The following are the terms under which COMPAQ Corporation ("COMPAQ") provides Services in the United States of America.

1. DEFINITIONS

"Equipment" refers to hardware products which may be furnished by COMPAQ in connection with Services.

"Price List" refers to the applicable COMPAQ United States price list or catalog.

"Quotation" refers to the applicable authorized COMPAQ quotation in effect when COMPAQ accepts Eligible Purchaser's order.

"Services" refers to maintenance, support, consulting, integration, or training services and other Multivendor Customer Services as listed in the Price List.

"Service Agreement" refers to the document which lists the Services to be provided and contains other information regarding the Services.

"Service Description" refers to the applicable document which describes the attributes of the Services to be provided and COMPAQ's and Eligible Purchaser's responsibilities relating to such Services.

"Software" refers to computer programs (including data bases and license keys) which may be furnished by COMPAQ in connection with Services.

"Statement of Work" refers to the document which, for certain Services for which a Service Agreement and Service Description are not applicable, describes the Services to be provided and contains other information regarding such Services. For purposes of these Terms, "Service Agreement" and "Service Description" will, as applicable, mean "Statement of Work".

2. DOCUMENTATION AND INVOICES

Compaq Computer Corporation acquired Digital Equipment Corporation ("Digital") in June 1998. Digital is a wholly owned subsidiary of Compaq. Contractual documentation such as quotes, P.O. acceptance notices, and invoices, may bear the name and logo of either Digital Equipment Corporation or Compaq Computer Corporation. "Compaq" and "Digital" may be used interchangeably in any documentation related to this CSMA and shall be interpreted as one in the same. For invoicing purposes, provided the appropriate underlying P.O. or similar document is referenced on the invoice, any invoice, regardless of whether the name or logo on the invoice is Compaq or Digital shall be recognized as a valid invoice from either Compaq or its Digital subsidiary.

3. PRICES

The prices for Services will be specified in a Quotation or Service Agreement, or, in the absence of a Quotation or Service Agreement, will be specified in the Price List. Eligible Purchasers are tax exempt and shall not be charged sales and use taxes.

4. ORDERS

All orders are subject to acceptance by COMPAQ. Electronic and facsimile orders and acknowledgments satisfy any legal requirements that agreements be signed and in writing.

Cancellation or reschedule charges for Services will be as specified in the Service Description or Service Agreement between COMPAQ and the Eligible Purchaser.

5. PAYMENT

Payment for Services is due in accordance with Section 8, Invoicing and Payments, of the U. S. Customer Services Master Agreement between COMPAQ and DIR.

6. SERVICE MATERIALS

Service materials (including diagnostic software, hardware and software tools, and associated documentation) provided by COMPAQ or its subcontractors for their use in the performance of Services remain the exclusive property of COMPAQ or its subcontractors. Eligible Purchaser may use such service materials only for activities related to, and only during the term of, such Services, and may not modify, remove, or transfer the service materials or make them, or any resultant diagnostic or system management data, available to other parties without COMPAQ's prior written consent. Upon termination of Services, Eligible Purchaser will, at COMPAQ's option, destroy or return all service materials in its possession. COMPAQ shall bear the cost of return of service materials if it elects to have the materials returned rather than destroyed. Parts replaced by COMPAQ or its subcontractors become the property of COMPAQ or its subcontractors.

7. WARRANTY

COMPAQ warrants that Services will conform to the Service Description.

Year 2000 Warranty and Technology Access Clause
(See General Terms and Conditions, Section 14.1 and 14.2)

THE ABOVE WARRANTY IS COMPAQ'S ONLY WARRANTY AND NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WILL APPLY. COMPAQ SPECIFICALLY EXCLUDES THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

With respect to the Services Warranty, as Eligible Purchaser's exclusive warranty remedy, COMPAQ will remedy any non-conforming Services provided Eligible Purchaser notifies COMPAQ within thirty (30) days after the performance of such non-conforming Services.

If in COMPAQ's opinion, COMPAQ is unable to otherwise remedy the non-conforming Services, COMPAQ may refund the purchase price of the Services for the period in which the Services were non-conforming.

8. SOFTWARE LICENSING

Software services are provided in accordance with the terms of the original license for such Software or, if there is no original license, the Software will be subject to COMPAQ's or, as applicable, the third party software manufacturer's standard software licensing terms.

9. INTELLECTUAL PROPERTY DEFENSE

COMPAQ will defend, at COMPAQ's expense, any claim brought against DIR or Eligible Purchaser alleging that any Equipment or Software furnished hereunder infringes a patent, copyright, or mask work right (the "Claim").

COMPAQ will pay all costs and damages awarded or agreed to in settlement of the Claim, provided that Eligible Purchaser furnishes COMPAQ with prompt written notice of the Claim and provides COMPAQ with reasonable assistance and sole authority to defend or settle the Claim. COMPAQ shall not defend or settle a claim in which DIR and/or an Eligible Purchaser is named as a party without the prior written notification being given to the Office of the Texas Attorney General.

COMPAQ will obtain for the Eligible Purchaser the right to continue using the Equipment or Software, replace them, or modify them so they become non-infringing. If such remedies are not reasonably available, COMPAQ will grant Eligible Purchaser a credit for the Equipment and Software as normally depreciated and accept their return.

COMPAQ will have no liability for any Claim resulting from the combination of the Equipment or Software with other products which were neither furnished nor combined with the Equipment or Software by COMPAQ or its subcontractors.

10. LIMITATION OF LIABILITY

COMPAQ WILL BE LIABLE TO DIR AND EACH ELIGIBLE PURCHASER FOR DIRECT DAMAGES IN THE AGGREGATE UP TO THE GREATER OF ONE MILLION DOLLARS (\$ 1,000,000) OR THE ANNUAL CHARGES FOR THE SERVICES WHICH ARE THE SUBJECT OF THE CLAIM. THE FOREGOING LIMITATION WILL NOT REDUCE COMPAQ'S OBLIGATIONS UNDER SECTION 8, INTELLECTUAL PROPERTY DEFENSE, OR COMPAQ'S LIABILITY FOR PERSONAL INJURY.

IN NO EVENT WILL COMPAQ BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OR ANY DAMAGES RESULTING FROM LOSS OF DATA, USE OR PROFITS.

11. GENERAL PROVISIONS

COMPAQ is not responsible for delay or failure to perform due to causes beyond its reasonable control.

Eligible Purchaser will notify COMPAQ of any potential safety or health risks of which it is aware that may exist at Eligible Purchaser's site. Services may not be performed if COMPAQ reasonably believes conditions at Eligible Purchaser's site represent a safety or health risk.

Either party to a Service Agreement may terminate a Service Agreement if the other party does not perform or observe any of its material obligations under the Service Agreement and such condition is not remedied within thirty (30) days after written notice to remedy.

Eligible Purchaser may not assign or transfer any of its rights or obligations under these Terms to any entity other than the successor-in-interest to Eligible Purchaser, without COMPAQ's written consent, which consent will not be unreasonably withheld. COMPAQ may subcontract the performance of Services to qualified service suppliers, however, COMPAQ shall be responsible for proper performance of such services.

All documents referred to in these Terms will be considered incorporated into these Terms and are available from COMPAQ upon request. These Terms supersede any preprinted terms on DIR's or Eligible Purchaser's orders and any previous written or oral communications or representations by either party related to the Services. The terms of the U.S. Customer Services Master Agreement between DIR and COMPAQ take precedence over these Terms.

Any Eligible Purchaser site access requirements will not be enforceable to either increase the obligations or liabilities or reduce the rights under these Terms of COMPAQ, its employees, or subcontractors.

Changes or modifications to any of these Terms must be in writing and signed by DIR and COMPAQ. Any Service Agreement or dispute arising in connection with these Terms will be governed by the laws of the State of Texas.

Addendum B: Services Descriptions

The following Services are eligible for this CSMA and are available upon request.

Service Descriptions

- Bronze Support for OpenVMS and DIGITAL UNIX
- Bronze Support for Windows NT
- Client Services
- Compaq Bronze Software Support for Intel-based Systems
- Compaq Gold Software Support for Intel-based Systems
- Compaq Gold Support for Network Products
- Compaq Silver Software Support for Intel-based Systems
- DECservice/Basic Service
- DECsystem/Basic System Support
- DECservice Node Service
- Education Software Library Service
- Gold Software Service for Windows NT
- Gold Support for OpenVMS and DIGITAL UNIX
- Microsoft Authorized Support
- New Version License Service
- On-Site Hardware Repair Service
- Platinum Support for OpenVMS and DIGITAL UNIX
- Prior Version Support
- Silver Software Service for Windows NT
- Silver Support for OpenVMS and DIGITAL UNIX
- Software Node Service
- Software Product Telephone Support
- Software Support Services (replaced - see Bronze Support)
- Software Update Distribution
- System Management Support Services
- User Application Support (replaced - see Client Services)

Addendum C: U.S. CUSTOMER SERVICES PRICE LIST

SERVICE DISCOUNT ELIGIBILITY

SERVICE NAME	COUNT TOWARD SERVICES AGGRE- GATION	CORP VOLUME/ SITE\$ VOLUME DSCT	MULTI YEAR DSCT	(formerly Annual Invoice Dsct) PREPAY- MENT DSCT
HARDWARE SERVICES				
DECSERVICE	YES	YES	YES	YES
Basic Service	YES	YES	YES	YES
Resident Engineer Service	YES	YES	YES	YES
Dedicated Engineer Service	YES	YES	YES	YES
Select-A-Call Service	YES	YES	YES	YES
On-site Hardware Repair Service (PC)	YES	YES/NO	YES	YES
SOFTWARE SERVICES				
Software Update Distribution Svc	YES	YES	YES	YES
Software Node Service Support	YES	YES	YES	YES
Education Software Library	NO	NO	NO	NO
Software Update Installation Svc	NO	NO	NO	NO
Layered Product Support	YES	YES	YES	YES
Document Update Service	YES	YES	YES	YES
Additional CSC Contacts	YES	YES	YES	YES
Gold Support (formerly Mission Critical Support)	YES	YES	YES	YES
Silver Support (formerly Response Management Service)	YES	YES	YES	YES
Bronze Support (formerly Software Support Service)	YES	YES	YES	YES
Help Desk Support Services				
- Premium	YES	YES/NO(I)	YES(I)	YES(I)
- Pro	YES	YES/NO(I)	YES(I)	YES(I)
User Application Support Svc (2)	YES	YES/NO(4)	YES(4)	YES(4)
New Version License Service (3)	YES	NO	YES	YES
Prior Version Support	YES	YES	YES	YES
Gold for Windows NT	YES	YES	YES	YES
Silver for Windows NT	YES	YES	YES	YES
Bronze for Windows NT	YES	YES	YES	YES
Microsoft Authorized Support	NO	NO	NO	NO

SERVICE DISCOUNT ELIGIBILITY (cont'd)

SERVICE NAME	COUNT TOWARD SERVICES AGGRE- GATION	<i>CORP</i> VOLUME/ SITE\$ VOLUME DSCT	MULTI YEAR DSCT	(formerly Annual Invoice Dset) PREPAY- MENT DSCT
INTEGRATED SERVICES				
DECsystem Support Services	YES	YES	YES	YES
Basic Support Service	YES	YES	YES	YES
DECservice Node Service	YES	YES	YES	YES
Basic Node Service	YES	YES	YES	YES
CLIENT SUPPORT				
Hardware Services	YES	NO	YES	YES
Software Services	YES	NO	YES	YES
Information Services	YES	NO	YES	YES

NOTES:

1. Applicable to term offers only for HelpDesk Services.
 2. User Application Support is eligible for a User Application Support Volume Discount for specific model numbers. Reference the PC Product Services section of the CS Preface Pages.
 3. In addition to the discounts noted in Table A, New Version License Service is also eligible to receive the applicable Discount (if any) listed in Curve A of the Software Volume Pricing Schedule in this U.S. Systems and Services Price List.
 4. Applicable to term offers only for User Application Support Services,
- Recover All Service NOT DISCOUNTABLE.

Addendum D:

COMPAQ

ADDENDUM A TO SERVICE AGREEMENT NO. 93050100D UNDER MASTER AGREEMENT NO. SOT LK99110

I. Term

The Term of the Master Agreement for Maintenance Services between COMPAQ and DIR is effective from September 1, 1999 through August 31, 2004. Execution of this Service Agreement indicates commitment to participate in this Agreement for the complete term.

II. Eligible Purchasers

Each participant under the Master Agreement will be known as "Eligible Purchaser" and will have an individual Service Agreement(s) with COMPAQ and will be under the Master Agreement with DIR for discount/allowances and administration purposes only.

III. Service Agreements

Execution of this Service Agreement indicates that Services purchased under this Service Agreement are intended for Eligible Purchaser's own use.

It is the sole responsibility of the Eligible Purchaser to review the Service Agreement for completeness and accuracy in content and service levels.

IV. Purchase Authorization

Eligible Purchaser agrees to submit to DIR a purchase order and signed Service Agreement. For modification(s) to the Service Agreement during the annual term, Eligible Purchaser agrees to submit to DIR a new or revised purchase order, signed Service Agreement, and Invoice Preview Detail Report. If the modification(s) result in a refund, the purchase order is NOT required.

Purchase Authorization must be submitted to and received by DIR within 60 days of issuance of the Service Agreement by COMPAQ. Failure to purchase within 60 days will nullify the Service Agreement quotation and applicable services will be suspended. Any service suspended will be subject to Compaq's requirements for Eligibility as defined in the applicable Compaq Service Description to be re-instated.

V. Payment to DIR for Services

Eligible Purchaser agrees to prepay DIR annually for maintenance services purchased under this Service Agreement.

Upon receipt of correct invoice from COMPAQ to DIR, DIR will issue an interagency transfer voucher (ITV)/invoice to Eligible Purchaser. Eligible Purchaser agrees to reimburse DIR upon receipt of the ITV/invoice. In accordance with the provisions of the General Appropriations Act, House Bill 1, 74th Legislature, Article IX, Section 72, "Prompt Payment for Interagency Goods and Services", payment must be made no later than thirty (30) days after the date the Eligible Purchaser receives that ITV/invoice.

VI. Termination

Should an Eligible Purchaser before the end of the term of the Master Agreement, (1) terminate their Service Agreement, or (2) delete any equipment from that Service Agreement for reasons other than sale, discontinued use, upgrade to newer COMPAQ technology, or transfer of equipment to another location where it will be maintained by COMPAQ, the Eligible Purchaser agrees to pay DIR an amount equal to the difference between the Multi-year Discount actually granted to Eligible Purchaser for such deleted products, and the actual Multi-year discount applicable for the number of years of the term Eligible Purchaser actually

completed upon written notification to COMPAQ. This amount shall be payable thirty (30) days upon receipt of invoice and written notification.

COMPAQDigital Equipment Corporation, a wholly owned subsidiary of Compaq Computer Corporation
Compaq Federal LLC, a wholly owned subsidiary of Digital Equipment Corporation
Tandem, a Division of Compaq Computer Corporation**SERVICE AGREEMENT**Addendum E:
PAGE 1 OF 1

Customer Name:

DEPT OF INFORMATION RESOURCESPO BOX 13564
AUSTIN, TX 78711-3564Contact: STEPHANIE MILLER
Telephone: 512-463-6362

Exempt: YES Tax Exempt No: 88888

Master Agreement No: SOT LK99110

Equipment Location:**DEPT OF INFORMATION RESOURCES**PO BOX 13564
AUSTIN, TX 78711-3564Contact: STEPHANIE MILLER
Telephone: 512-463-6362**Compaq Service Office Location:**

5000 PLAZA ON THE

LAKE BLVD STE 350

AUSTIN, TEXAS 78746

Contact: MICK GIAUQUE

For Agreement Questions, Call: 512-306-7584

For Service, Call: 800-354-9000

Service Agreement No:

930501000

MCACONTROL

Agreement P.O. Number:

From 01-SEP-99 Thru 31-AUG-00

Invoice Frequency: Annually Type: 6 EDI: N

Commencement Date: 01-SEP-93 Credit Card: N

Transaction: Annual Rev. Hdr Chg

TOTAL MONTHLY CHARGE:

\$0.00

COMPAQ COMPUTER CORPORATION:

Name**By Authorized Representative****Date****Printed Authorized Representative****By Authorized Representative****Printed Authorized Representative**

Multivendor Cust Services, 972-702-4756

Prepared/Initiated By

23-SEP-99

Date

Line Item	Model No.	Ser/Serv ID	Description/Location/Adjustment	Eff Date	Service Level	M-F Sa Su R	Exempt	Qty	Unit Price	Monthly Price
1.000	MC-ACONT-RL		Although charges reflected on this service agreement are monthly, invoicing will occur on an annual basis. Invoice amounts may vary based on contract changes and their effective dates. Services will be provided through 31-AUG-00 ADMINISTRATIVE USE ONLY ***** BY EXECUTING THIS SERVICE AGREEMENT, ELIGIBLE PURCHASER (CUSTOMER) AGREES TO THE TERMS CONTAINED IN ADDENDUM A OF THIS SERVICE AGREEMENT. ***** A 3% Prepayment Discount will be applied to the net charge of eligible line items at the time of invoicing.	01-SEP-99	ADMINISTRATIVE USE ONLY	09 00 00		1	0.00	\$0.00

Internal Use Only:

Admin CC: 75A

Cust/Adm: 38968/16

Inv Sys: SMT

Cust Type: SLG

CLF: 0770081

Cont Bill: N

Format:

Grn. Method